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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION.

- and -

PACIFIC GAS AND ELECTRIC COMPANY,

Debtors.

- Affects PG&E Corporation
 - Affects Pacific Gas and Electric Company
 - Affects both Debtors

* All papers shall be filed in the Lead Case, No. 19-30088 (DM).

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**DECLARATION OF ROBB MCWILLIAMS
IN SUPPORT OF REORGANIZED
DEBTORS' NINETIETH OMNIBUS
OBJECTION TO CLAIMS (NO LIABILITY
CLAIMS)**

**Response Deadline:
July 14, 2021, 4:00 p.m. (PT)**

Hearing Information If Timely Response Made:

Date: July 28, 2021

Time: 10:00 a.m. (Pacific Time)

Place: (Telephonic Appearances Only)
United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

1 I, Robb C. McWilliams, pursuant to section 1746 of title 28 of the United States Code, hereby
2 declare under penalty of perjury that the following is true and correct to the best of my knowledge,
3 information, and belief:

4 1. I am a Managing Director at the firm of AlixPartners, LLP (“**AlixPartners**”), which is
5 an affiliate of both AlixPartners, LLC and AP Services, LLC (“**APS**”). APS was previously retained to
6 provide interim management services to Pacific Gas and Electric Corporation and Pacific Gas and
7 Electric Company, as debtors and reorganized debtors (collectively, the “**Debtors**,” or, as reorganized
8 pursuant to the Plan, the “**Reorganized Debtors**”) in the above-captioned chapter 11 cases (the
9 “**Chapter 11 Cases**”). I submit this Declaration in support of the *Reorganized Debtors’ Ninetieth*
10 *Omnibus Objection to Claims (No Liability Claims)* (the “**Omnibus Objection**”),¹ filed
11 contemporaneously herewith.

12 2. In my current position, I am responsible for overseeing the Bankruptcy Case Management
13 component of AlixPartners’ assignment to assist the Reorganized Debtors with various matters related
14 to these Chapter 11 Cases. My area of responsibility includes the effort by AlixPartners, in coordination
15 with the Reorganized Debtors, to review and assess the validity of all claims asserted against the Debtors,
16 other than (a) Fire Claims and Subrogation Wildfire Claims and (b) providing limited support with
17 respect to Securities Claims. I am generally familiar with the Reorganized Debtors’ day-to-day
18 operations, financing arrangements, business affairs, and books and records. Except as otherwise
19 indicated herein, all facts set forth in this Declaration are based upon my personal knowledge, the
20 knowledge of other AlixPartners professionals working under and alongside me on this matter, my
21 discussions with the Reorganized Debtors’ personnel, the Reorganized Debtors’ various other advisors
22 and counsel, and my review of relevant documents and information prepared by the Reorganized
23 Debtors. If called upon to testify, I would testify competently to the facts set forth in this Declaration. I
24 am authorized to submit this declaration on behalf of the Reorganized Debtors.

25 3. The AlixPartners team under my supervision has been actively and intimately involved
26 in the claims review and reconciliation process since shortly after the filing of these Chapter 11 Cases.

27 ¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in
28 the Omnibus Objection.

1 AlixPartners initially assisted the Debtors in the preparation of their bankruptcy schedules based on the
2 Debtors' books and records. As claims were filed, AlixPartners coordinated with the Debtors the process
3 of reconciling filed claims with the Debtors' schedules and books and records to determine the validity
4 of filed claims based on those schedules and books and records. AlixPartners has developed and
5 maintains a claims reconciliation database and various data management applications that are used by
6 the Reorganized Debtors and AlixPartners to identify both valid claims as well as claims that are not
7 valid in whole or in part and the appropriate grounds for objection to such claims. AlixPartners is now
8 supporting, and will continue to support, the efforts of the Reorganized Debtors and their counsel to
9 resolve disputed claims, including by formal objections as necessary.

10 4. As part of the claims review and reconciliation process described above, the AlixPartners
11 team, working with the Reorganized Debtors' personnel and other professionals, has identified a number
12 of filed Proofs of Claim for which the Reorganized Debtors are not liable. If not disallowed and
13 expunged, these Proofs of Claim potentially could allow the applicable claimants to receive recoveries
14 to which they are not entitled.

15 5. The Omnibus Objection is directed to some of those Proofs of Claim—those specifically
16 identified in Exhibit 1 to the Omnibus Objection, in the column headed “Claims To Be Disallowed and
17 Expunged,” and referred to in the Omnibus Objection as “No Liability Claims.” Exhibit 1 to the
18 Omnibus Objection was prepared by the AlixPartners team under my overall supervision, and I am
19 familiar with both documents, their contents, and the process under which they were prepared.

20 6. Exhibit 1 also specifically identifies in the “Basis for Objection” that the No Liability
21 Claims are classified as:

22 a. “No Liability Subcontractor Claims,” which all relate to Proofs of Claim asserted
23 against the Debtors for amounts incurred by subcontractors indirectly retained by the Debtors. After
24 reviewing their books and records and the information submitted with the Proofs of Claim, the
25 Reorganized Debtors have determined that each of the No Liability Subcontractor Claims is attributable
26 to the relevant general contractor on each project. The Reorganized Debtors determined this either from
27 the face of the Proof of Claim listing the general contractor or by follow-up correspondence with the
28 Claimant. In all cases, the Reorganized Debtors took the additional step of confirming that if the general

1 contractor had filed a Claim, it had already been satisfied, such that any payment on account of the No
2 Liability Subcontractor Claims would be duplicative. The Reorganized Debtors thus do not have any
3 direct liability for the No Liability Subcontractor Claims.

4 b. “Protective Claims.” These are proofs of claim that assert protective, unliquidated
5 claims potentially owing post-petition. The Reorganized Debtors have reviewed their books and records
6 and have determined that they have no known liability as of the Petition Date with respect to the
7 Protective Claims. Approval of the relief requested herein will not prejudice the holders of any of the
8 Protective Claims because (a) the Claimants retain all non-bankruptcy remedies that would have existed
9 had these Chapter 11 Cases not been filed and (b) the Debtors commit that they will not raise any
10 bankruptcy defenses to future assertion of claims based on the alleged post-petition failure of the
11 Reorganized Debtors to perform or honor their obligations relating to such claims.

12 c. “Rule 20A Claims.” These Claims are based on certain credits earned by cities
13 or counties within the Debtors’ service area as part of a program under the California Public Utilities
14 Commission for placing overhead electric facilities underground. These credits accumulate annually
15 and are calculated by the Debtors based on, among other things, the amount of the city or county’s
16 electric lines as a percentage of the lines within the Debtors’ overall service area. Once a city or county
17 has accumulated enough credits, it may then seek to draw from these credits to fund an undergrounding
18 project that is shown to be in the public interest. Pursuant to the first-day order allowing the Debtors to
19 continue their customer programs, the Debtors have maintained the Rule 20A program throughout the
20 Chapter 11 Cases. However, these Rule 20A credits are not deposits or prepayments, and the Debtors
21 have no liability to the Rule 20A Claimants for these credits. Accordingly, the Reorganized Debtors
22 have determined they are not liable for these amounts and the corresponding Proofs of Claim should be
23 disallowed and expunged. For the avoidance of doubt, with respect to all of the Rule 20A Claims, the
24 Reorganized Debtors will continue to honor the Claimants’ participation in the Rule 20A program in the
25 ordinary course as if the Chapter 11 Cases had not been commenced.²

26 ² Claim nos. 79374, 79483, and 87909 also request amounts for franchise fees, for which the
27 Reorganized Debtors have satisfied all pre-petition amounts and continue to pay as due in the ordinary
course pursuant to the first-day order authorizing the payment of pre-petition taxes [Docket No. 698].
Accordingly, the Reorganized Debtors are not liable for any amounts asserted in the Rule 20A Claims.

1 d. “Settlement No Liability,” referring to a Claim where the Debtors entered into a
2 settlement agreement (the “**Settlement Agreement**”) with the Claimant prior to the Petition Date that
3 provides for installment payments to the Claimant. All installment payments due prior to the Petition
4 Date were paid prior to the Chapter 11 Cases, and the Debtors continued make payments as they came
5 due under the Settlement Agreement during the Chapter 11 Cases. Accordingly, the Reorganized
6 Debtors do not have any liability with respect to this Claim, beyond making the future installment
7 payments as provided in the Settlement Agreement. For the avoidance of doubt, the Reorganized
8 Debtors will continue to make such payments pursuant to the Settlement Agreement in the ordinary
9 course as if the Chapter 11 Cases had not been commenced.

10 As set forth in the letter attached to the Omnibus Objection as Exhibit 2, which is being sent to
11 the holder of the Settlement No Liability Proof of Claim along with the individualized notice of this
12 Objection, the Reorganized Debtors view the relief requested herein as purely administrative in nature
13 and the expungement of the Settlement No Liability Proof of Claim from the Bankruptcy Court claims
14 register does not affect the holder’s underlying rights pursuant to the Settlement Agreement.

15 e. “Miscellaneous No Liability Claims. ” These are Proofs of Claim where the
16 Reorganized Debtors, after conducting a thorough review of the Proof of Claim, concluded that there is
17 no basis for liability. The Reorganized Debtors’ review of each Proof of Claim consisted of (i) a review
18 of the Debtors’ books and records, and (ii) a review of information submitted by the Claimant in
19 connection with the respective Proof of Claim. In each instance, the Reorganized Debtors determined
20 that the claim was not valid, and the review discovered no basis for the claim. Accordingly, the
21 Reorganized Debtors have determined they are not liable for these amounts and the corresponding Proofs
22 of Claim should be disallowed and expunged.

23 7. Based on AlixPartners’ review of the Reorganized Debtors’ books and records and my
24 team’s consultations with the Reorganized Debtors’ personnel and other professionals, each of the No
25 Liability Claims identified on Exhibit 1 represents a Proof of Claim for which the Reorganized Debtors
26 do not have any liability.

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1 Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and
2 correct to the best of my knowledge, information, and belief. Executed this seventeenth day of June,
3 2021.

4 */s/ Robb McWilliams*
5 Robb McWilliams
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